

**INTERNATIONAL UNION OF
CRYSTALLOGRAPHY**

Report and Financial Statements

31 December 2007

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

REPORT AND FINANCIAL STATEMENTS 2007

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INTERNATIONAL UNION OF CRYSTALLOGRAPHY

EXECUTIVE COMMITTEE MEMBERS

31 December 2007

President:	Professor Y Ohashi
Vice-President:	Professor I Torriani
General Secretary and Treasurer:	Professor S Lidin
Immediate Past President:	Professor W L Duax
Ordinary Members:	Professor P M Colman Professor G R Desiraju Professor C J Gilmore Professor G Heger Professor C Lecomte Professor D Viterbo
Executive Secretary:	Mr M H Dacombe

STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The Statutes and By-laws of the Union require the Treasurer to exhibit a general statement of the pecuniary affairs of the Union with detailed accounts of the income and expenditure. In preparing these accounts, the Executive Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume the Union will continue.

These accounts are to be audited by a professional auditor appointed by the Executive Committee.

The Executive Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Union and to ensure that the accounts comply with the Constitution of the Union. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each of the persons who are members of the Executive Committee at the date when this report is approved:

- so far as each of the members is aware, there is no relevant audit information of which the union's auditors are unaware; and
- each of the members has taken all the steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the union's auditors are aware of that information.

By Order of the Executive Committee

Professor S Lidin	Professor Y Ohashi	M H Dacombe
General Secretary and Treasurer	President	Executive Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INTERNATIONAL UNION OF CRYSTALLOGRAPHY

We have audited the financial statements of the International Union of Crystallography for the year ended 31 December 2007 which comprise the income and expenditure account, the balance sheet, the cash flow statement, and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Union's members, as a body, in accordance with Section 11.1 of the Statutes of the Union. Our audit work has been undertaken so that we might state to the Union's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Union and the Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Executive Committee and auditors

The Executive Committee's responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of the Executive Committee's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework.

In addition, we report to you if, in our opinion, the Union has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Executive Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Union's affairs as at 31 December 2007 and of its surplus of income over expenditure for the year then ended.

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Manchester, United Kingdom
2008

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

INCOME AND EXPENDITURE ACCOUNT

Year ended 31 December 2007

	Note	2007	Swiss Francs 2007	2006	2006
Income					
Membership subscriptions			152,000		153,000
Sales					
Journals, back numbers and single issues		4,881,772		4,266,721	
Books		396,541		112,602	
Open Access Grant		46,684		85,922	
Investment income			5,324,997		4,465,245
Income from investments	7	129,916		146,333	
Bank interest	8	34,966		18,263	
Profit on sale of investments	9	106,728		10,270	
Other income			271,610		174,866
Royalties and copyright fees		10,206		12,139	
Advertising income		264,486		238,659	
STAR/CIF income		37,991		-	
			312,683		250,798
TOTAL INCOME			6,061,290		5,043,909
Expenditure					
Journals					
Publication costs		993,593		960,362	
Editorial expenses		372,273		340,726	
Technical editing		1,764,307		1,528,058	
Subscription administration		62,992		59,946	
			3,193,165		2,889,092
Books					
Publication costs		58,657		29,733	
Editorial expenses		103,317		25,441	
Technical editing		205,628		273,038	
			367,602		328,212
Newsletter					
Publication costs		159,019		125,424	
Editorial expenses		126,809		132,427	
			285,828		257,851
Presidents Fund and other Grants and Young Scientist Support			235,986		150,185
General Assembly Costs			9,181		3,892
Carried forward			4,091,762		3,629,232

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

INCOME AND EXPENDITURE ACCOUNT (continued)

Year ended 31 December 2007

		Swiss Francs	
	2007	2007	2006
Brought forward		4,091,762	3,629,232
Committee meetings and expenses		118,966	65,188
Publications and journals development			
General	658,734		636,639
Editor meetings	16,790		2,292
STAR/CIF	26,100		37,350
Promotion	196,392		174,884
		898,016	851,165
Subscriptions paid		11,609	9,709
Visiting professorship programme		559	1,165
Administration expenses:			
General Secretary and Treasurer:			
Honorarium to Treasurer	9,829		10,216
Audit and accountancy charges	83,333		84,971
Legal and professional fees	17,807		16,741
Travelling expenses	8,012		18,584
Bank charges	2,389		2,307
		121,370	132,819
Executive Secretary's office:			
Salaries and expenses	381,062		348,306
Travel expenses of IUCr representatives			
on other bodies	231		8,829
Sponsorship of meetings	29,867		5,148
Congress costs	74,424		-
IUCr/FIZ agreement	(19,147)		(19,030)
Bad debts	4,000		7,601
		470,437	350,854
Depreciation		47,774	28,207
TOTAL EXPENDITURE		5,760,493	5,068,339
Surplus/(deficit) of income over expenditure			
carried forward		300,797	(24,430)

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

INCOME AND EXPENDITURE ACCOUNT (continued)

Year ended 31 December 2007

	Note	2007	Swiss Francs 2007	2006	2006
Surplus/(deficit) of income over expenditure brought forward			300,797		(24,430)
Movement in market value of investments in year	5		(142,019)		406,310
			158,778		381,880
Fluctuation in rates of exchange					
Trading activities		(61,365)		(17,223)	
Investment activities		(182,667)		29,013	
			(244,032)		11,790
Total recognised (losses) and gains relating to the year			(85,254)		393,670
Opening fund accounts at 1 January 2007			5,104,584		4,710,914
Closing fund accounts at 31 December 2007			5,019,330		5,104,584

All the income and expenditure related to continuing activities.

Historic cost results would only differ from above by the profit on sale of investments - see note 9.

Separate Statements of Total Recognised Gains and Losses and Reconciliation of Movements in the Fund Account are not given, as the information is incorporated above.

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

BALANCE SHEET

31 December 2007

	Note	Swiss Francs 2007	(Restated) see note 1 2006
FIXED ASSETS			
Tangible fixed assets	4	45,456	52,119
Investments at market value	5	3,663,796	4,236,550
		<u>3,709,252</u>	<u>4,288,669</u>
CURRENT ASSETS			
Stock		200,701	270,364
Cash at bank and in hand			
Current accounts	28,811	15,437	
Deposit and savings accounts	637,242	1,503,441	
Cash with Union officials	17,161	17,575	
		<u>683,214</u>	<u>1,536,453</u>
Debtors, accrued income and payments in advance		878,821	684,040
Subscriptions due from Adhering Bodies		39,000	57,000
		<u>1,801,736</u>	<u>2,547,857</u>
Total current assets		1,801,736	2,547,857
CREDITORS: amounts falling due within one year	6	<u>(491,658)</u>	<u>(1,731,942)</u>
NET CURRENT ASSETS		<u>1,310,078</u>	<u>815,915</u>
TOTAL FUNDS		<u><u>5,019,330</u></u>	<u><u>5,104,584</u></u>

The financial statements were approved by the Executive Committee on

2008.

President

Professor Y Ohashi

General Secretary and Treasurer

Professor S Lidin

Executive Secretary

M H Dacombe

CASH FLOW STATEMENT
Year ended 31 December 2007

		Swiss Francs	
	Note	2007	2006
Net cash (outflow)/inflow from operating activities (see below)		(1,323,661)	1,032,498
Returns on investments			
Interest received	8	34,966	18,263
Investment income (net of notional dividends)	7	129,916	146,333
		<u>164,882</u>	<u>164,596</u>
Net cash inflow from returns on investments			
Investing activities			
Purchase of fixed assets	4	(41,111)	(53,249)
Purchase of investments	5	(573,097)	(762,418)
Receipts from sale of investments	9	927,893	838,799
		<u>313,685</u>	<u>23,132</u>
Net cash inflow from investing activities			
(Decrease)/increase in cash	14	<u>(845,094)</u>	<u>1,220,226</u>

Reconciliation of Surplus/(Deficit) of Income over Expenditure to Net Cash (Outflow)/Inflow from Operating Activities

		Swiss Francs	
	Note	2007	2006
Surplus/(deficit) of income over expenditure		300,797	(24,430)
Exchange rate fluctuations attributable to operating activities	13	(53,219)	(46,608)
Interest received	8	(34,966)	(18,263)
Investment income	7	(129,916)	(146,333)
Profit on disposal of investments	9	(106,728)	(10,270)
Depreciation charges		47,774	28,207
Decrease in stock		69,663	80,553
Increase in debtors		(176,781)	(103,006)
(Decrease)/increase in creditors		<u>(1,240,285)</u>	<u>1,272,648</u>
Net cash (outflow)/inflow from operating activities		<u>(1,323,661)</u>	<u>1,032,498</u>

NOTES TO THE ACCOUNTS

Year ended 31 December 2007

1. ACCOUNTING POLICIES

The principal accounting policies adopted are summarised below. They have all been applied consistently throughout the year and preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are stated at market value, and in accordance with applicable United Kingdom accounting standards.

Comparatives

The comparative figures have been restated to reclassify investments as fixed assets rather than current asset investments. The adjustment has no impact on the net asset value or the deficit of income over expenditure.

Rates of exchange

UNESCO rates of exchange as issued by the ICSU Secretariat are used in the preparation of the financial statements.

Transactions denominated in foreign currencies are translated into Swiss Francs at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date.

Profits and losses arising on trading transactions from the fluctuations in rates of exchange during the year are divided between the fund accounts with credit balances in direct proportion to those balances at the closing balance sheet date. All profits and losses arising from exchange rate fluctuations are taken directly to reserves.

Publication costs

Publication, editorial and administrative expenses of publications are charged in the appropriate income and expenditure account as and when incurred.

Stocks

Stocks of International Tables are included at the lower of cost and net realisable value. Stocks of all other publications, including back issues of journals, are not valued for accounts purposes as sales are uncertain.

Expenditure on premises

Expenditure on maintenance of leasehold premises is charged against the appropriate income and expenditure accounts in the year in which it is incurred.

Depreciation

- (i) Office equipment is depreciated on the straight line basis at a rate of 20% per annum.
- (ii) Computer equipment is depreciated on a straight line basis at a rate of 33 1/3% per annum.
- (iii) Leasehold property improvements are depreciated over the term of the lease.

Investment income

Notional dividend income re-invested in accumulation investment funds is treated as income when declared and added to the accumulated cost of investments. Other dividends are recognised on an accruals basis.

Investments

Investments are stated at market value. Changes in market value are taken directly to reserve movements.

Lease costs

Operating lease costs are charged to the income and expenditure account on a straight line basis over the term of the lease. Where reduced rents are payable on property in the earlier years of the lease, the total cost for the period to the first rent review date are spread on a straight line basis, and the appropriate creditor balance is maintained.

NOTES TO THE ACCOUNTS**Year ended 31 December 2007****1. ACCOUNTING POLICIES (continued)****Pension Costs**

The Union operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the Union. The amount charged to income and expenditure in the year in respect of pensions represents employer's contributions payable in the year. No amounts were due to or from the pension scheme at 31 December 2007 (2006 – £nil).

2. RATES OF EXCHANGE

The assets of the Union are recorded in the financial statements in Swiss Francs but are held in currencies which are considered to be appropriate to the Union's requirements. Transactions in currencies other than Swiss Francs are converted into Swiss Francs at the rate of exchange ruling on the date of the transaction.

The rates of exchange operative at the balance sheet date compared with the Swiss Franc were as follows:

	2007	2006
Euro	0.6018	0.6273
Pounds Sterling	0.4404	0.4231
US Dollars	0.8772	0.8264

The net assets of the Union at 1 January 2007 (Sw Fr 5,104,584) would have had the value of US \$4,218,428 or £2,159,749 if expressed in those currencies.

At 31 December 2007 the net assets (Sw Fr 5,019,330) would have had the value of US \$4,402,957 or £2,210,513 respectively, being an increase of US \$184,529 or an increase of £50,764 from the previous year.

3. TAXATION

As an association incorporated in Switzerland, the Union is exempt from Swiss Federal and Geneva Cantonal tax. Under current circumstances the Union is not considered to be liable to tax in territories other than Switzerland as a result of domestic exemptions in those other territories and/or specific exemptions arising under the Double Taxation Treaties between those other territories and Switzerland.

4. TANGIBLE FIXED ASSETS

	Leasehold property improvements Sw Fr	Computer and office equipment Sw Fr	Total Sw Fr
Cost			
As at 1 January 2007	102,987	621,857	724,844
Additions	-	41,111	41,111
	<hr/>	<hr/>	<hr/>
As at 31 December 2007	102,987	662,968	765,955
	<hr/>	<hr/>	<hr/>
Accumulated depreciation			
As at 1 January 2007	102,987	569,738	672,725
Charge for the year	-	47,774	47,774
	<hr/>	<hr/>	<hr/>
As at 31 December 2007	102,987	617,512	720,499
	<hr/>	<hr/>	<hr/>
Net book value			
31 December 2007	-	45,456	45,456
	<hr/>	<hr/>	<hr/>
31 December 2006	-	52,119	52,119
	<hr/>	<hr/>	<hr/>

NOTES TO THE ACCOUNTS
Year ended 31 December 2007

5. INVESTMENTS

	Holding at Market value 01/01/07	Additions during the year	Notional Dividends	Disposals/ Redemption During the year	Fluctuations in rates of exchange	Increase/ (decrease) in market value	Swiss Francs Holding at market value 31/12/07	Holding at revalued cost 31/12/07	Holding at revalued cost 31/12/06
Held by Merrill Lynch									
<u>GNM P169332 – 2016 (US\$)</u>									
602 Units	779	-	-	(51)	(43)	6	691	619	704
<u>Global Allocation Portfolio</u>									
<u>Class O (US\$) 2,740 Units</u>	118,095	-	-	-	(6,832)	16,867	128,130	32,473	34,467
<u>MLBS SP PF EU EQ (US) B</u>									
3,292 Units	214,701	-	-	-	(12,421)	23,531	225,811	114,637	121,676
<u>Sector SPDR Energy</u>									
2075 units	147,205	-	-	-	(8,516)	49,013	187,702	55,116	58,500
<u>M L Asian Dragon</u>									
<u>2,600 units</u>	74,969	-	-	-	(4,337)	28,543	99,175	35,509	37,689
<u>Janus Global Life Sciences Fund</u>									
4,700 Units	50,500	-	-	(55,166)	4,184	482	-	-	57,349
 <u>Janus US Venture Fund</u>									
4,800 Units	60,868	-	-	-	(3,521)	7,825	65,172	56,713	60,195
<u>Cisco Systems Inc</u>									
1,700 Units	56,218	-	-	(64,077)	(48)	7,907	-	-	67,490
<u>Consults Portfolios</u>									
850-07U78 formerly 1CA-07M16	228,750	69,813	-	(234,510)	(11,149)	(52,904)	-	-	164,199
850-07U80 formerly 1CA-07M52	297,985	112,315	-	(76,392)	(18,261)	(38,526)	277,121	265,785	245,060
 Carried forward	1,250,070	182,128	-	(430,196)	(60,944)	42,744	983,802	560,852	847,329

NOTES TO THE ACCOUNTS
Year ended 31 December 2007

5. INVESTMENTS (continued)

	Holding at Market value 01/01/07	Additions during the year	Notional Dividends	Disposals/ Redemption During the Year	Fluctuations in rates of exchange	Increase/ (decrease) in market value	Swiss Francs Holding at market value 31/12/07	Holding at revalued cost 31/12/07	Holding at revalued cost 31/12/06
Brought forward	1,250,070	182,128	-	(430,196)	(60,944)	42,744	983,802	560,852	847,329
<u>Permal Emerging Markets</u> 37 units	138,059	-	-	-	(7,987)	31,905	161,977	116,405	123,553
<u>Permal Investment</u> 23 units	128,297	-	-	-	(7,422)	15,077	135,952	113,883	120,876
Held by Close Asset Management Jersey Ltd									
<u>Close Finsbury International Foundation Funds Ltd</u>									
<u>Sterling Income Bond Fund</u> 34,116 participating shares	387,812	-	-	(390,969)	3,931	(774)	-	-	426,512
<u>Sterling Bond and Equity Fund</u> 203,484 Participating shares	2,332,312	390,969	-	-	(110,245)	(230,971)	2,382,065	2,302,160	2,008,789
	<u>4,236,550</u>	<u>573,097</u>	<u>-</u>	<u>(821,165)</u>	<u>(182,667)</u>	<u>(142,019)</u>	<u>3,663,796</u>	<u>3,093,300</u>	<u>3,527,059</u>

NOTES TO THE ACCOUNTS**Year ended 31 December 2007****6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Swiss Francs	
	2007	2006
Creditors and accruals	423,086	1,668,208
Payroll creditor including tax and social security	68,572	63,734
	<u>491,658</u>	<u>1,731,942</u>

7. INVESTMENT INCOME

	Swiss Francs	
	2007	2006
GNM P169332 – 2016	59	315
Sector SPDR Energy	1,247	1,893
Close Finsbury International Ltd Sterling Income Bond Fund	-	48,594
Close Finsbury International Ltd Sterling Bond and Equity Fund	115,574	86,059
Consults Portfolios		
850-07U78	4,781	3,594
850-07U80	8,255	5,878
	<u>129,916</u>	<u>146,333</u>
Allocated to:		
President's Fund	2,138	2,196
Publication and Journals Development Fund	19,310	17,325
Research and Education Fund	20,387	20,246
Ewald Fund	13,079	12,803
Balance left in General Fund	75,002	93,763
	<u>129,916</u>	<u>146,333</u>

NOTES TO THE ACCOUNTS

Year ended 31 December 2007

8. BANK INTEREST

		Swiss Francs 2007	2006
National Westminster Bank Plc			
Manchester Business Reserve Account	29,319	14,216	
Manchester Capital Reserve Account	2	2	
	<u> </u>	<u> </u>	
		29,321	14,218
Merrill Lynch			
CMA Account		5,645	4,045
		<u> </u>	<u> </u>
		34,966	18,263
		<u> </u>	<u> </u>

9. PROFIT ON DISPOSAL/REDEMPTION OF INVESTMENTS

	Swiss Francs 2007	2006
Proceeds	927,893	838,799
Book value	(821,165)	(828,529)
	<u> </u>	<u> </u>
Profit	106,728	10,270
	<u> </u>	<u> </u>

Book value represents market value at 1 January 2007 or cost if acquired after that date.

The profit on disposal based on historic cost was Swiss Francs 59,645 (2006 – Sw Fr 163,888). Therefore historic cost results would be as follows:

	Swiss Francs 2007	2006
Surplus of income over expenditure	253,713	129,188
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS

Year ended 31 December 2007

10. INFORMATION REGARDING EMPLOYEES

	2007 No.	2006 No.
Average number of persons employed during the year	24	23
	Pounds Sterling 2007	2006
Staff costs incurred during the year in respect of these employees were:		
Salaries	898,040	830,273
Social security	99,315	92,001
Pension	147,204	146,996
Total staff costs	1,144,559	1,069,270
	Swiss Francs 2007	2006
Total staff costs	2,737,500	2,467,191

11. OPERATING LEASE COMMITMENTS

At 31 December, the Union was committed to making the following payments during the next year in respect of operating leases.

	Land & buildings 2007	Swiss Francs Other 2007	Land & buildings 2006	Other 2006
Leases which expire:				
Within one year	-	-	-	-
Within one to two years	-	-	-	-
Within two to five years	97,785	1,163	98,076	-
	97,785	1,163	98,076	-

12. SPONSORSHIP & OTHER FINANCIAL COMMITMENTS

At 31 December 2007 the Union had authorised, but not contracted for, sponsorship grants of 32,490 Swiss Francs (2006 - Sw Fr 121,605).

At 31 December 2007 the Union had authorised, but not contracted for, a new CIF software agreement of 16,000 Swiss Francs (2006 - Sw Fr nil).

In 1997, an agreement was made between the Union and the providers of the newsletter that a cap of US\$ 50,000 per annum was to apply to funding. Any difference between the funds provided and this cap is eligible to be drawn down to meet future cost increases, provide staff rewards or to cover uncertainty concerning advertising income. As at 31 December 2007, the potential liability amounted to US\$ 137,500 (2006 - US\$ 150,000).

NOTES TO THE ACCOUNTS

Year ended 31 December 2007

13. EXCHANGE RATE FLUCTUATIONS ATTRIBUTABLE TO OPERATING ACTIVITIES

	Swiss Francs 2007	2006
Total fluctuations in exchange rates	(244,031)	11,790
Adjustments for exchange differences attributable to:		
Investments (note 5)	182,667	(29,013)
Cash and bank balances	8,145	(29,385)
	<u>(53,219)</u>	<u>(46,608)</u>

14. ANALYSIS OF CHANGES IN CASH DURING THE YEAR

	Swiss Francs 2007	2007	Swiss Francs 2006	2006
Balance at 1 January		1,536,453		286,842
Net cash (outflow)/inflow	(845,094)		1,220,226	
Fluctuations in rates of exchange on cash and bank balances	(8,145)		29,385	
	<u>(853,239)</u>		<u>1,249,611</u>	
Balance at 31 December		<u>683,214</u>		<u>1,536,453</u>

15. ANALYSIS OF BALANCES OF CASH AS SHOWN IN THE BALANCE SHEET

	Swiss Francs 2007	2006	Change 2007	Change 2006
Cash at bank and in hand	<u>683,214</u>	<u>1,536,453</u>	<u>(853,239)</u>	<u>1,249,611</u>